



General Assembly

Substitute Bill No. 1250

January Session, 2005

* SB01250LAB__042605__ *

**AN ACT CONCERNING PENALTIES FOR CONCEALING
INFORMATION RELATED TO WORKERS' COMPENSATION
INSURANCE AND SELF-INSURANCE.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (g) of section 31-288 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2005*):

4 (g) (1) Any employer who, with the intent to injure, defraud or
5 deceive any insurance company insuring the liability of such employer
6 under this chapter, [(1)] (A) knowingly misrepresents to such company
7 one or more employees as independent contractors, or [(2)] (B)
8 knowingly provides false, incomplete or misleading information to
9 such company concerning the number of employees or the job
10 classification of an employee, for the purpose of paying a lower
11 premium on a policy obtained from such company, shall be guilty of a
12 class D felony. The insurance company of any employer known to the
13 insurance company to be in violation of this subdivision shall report
14 such known violation to the chairman of the Workers' Compensation
15 Commission and the Chief State's Attorney.

16 (2) Any employer who, with the intent to reduce the amount of
17 security required to obtain or maintain a certificate of self-insurance
18 under this chapter, (A) knowingly misrepresents, to the chairman of

19 the Workers' Compensation Commission or the Insurance
 20 Commissioner, one or more employees as independent contractors, or
 21 (B) knowingly provides false, incomplete or misleading information to
 22 the chairman or the commissioner concerning the number of
 23 employees or the job classification of an employee, shall be guilty of a
 24 class D felony.

25 Sec. 2. Subsection (b) of section 31-290d of the general statutes is
 26 repealed and the following is substituted in lieu thereof (*Effective July*
 27 *1, 2005*):

28 (b) The workers' compensation fraud unit shall submit a quarterly
 29 report detailing its activities to the chairman and the Advisory Board
 30 of the Workers' Compensation Commission and to the Insurance
 31 Commissioner. On or before December 1, 2005, and annually
 32 thereafter, the workers' compensation fraud unit shall submit a report
 33 to the joint standing committees of the General Assembly having
 34 cognizance of matters relating to insurance and labor about employer
 35 and employee workers' compensation fraud. Such report shall include,
 36 but not be limited to, the number of investigations, arrests, referrals,
 37 and prosecutions relating to such fraud, and recommendations for
 38 improving compliance with provisions of this chapter pertaining to
 39 claims for benefits, receipt or payment of benefits, or the insurance or
 40 self-insurance of liability.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2005</i>	31-288(g)
Sec. 2	<i>July 1, 2005</i>	31-290d(b)

LAB *Joint Favorable Subst.*